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**CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
12 November 1965**

INTELLIGENCE MEMORANDUM

**The Situation in Indonesia
(Report #59 - As of 4:00 P.M. EST)**

1. Sukarno is moving to regain full control of Indonesia's information media. The army relinquished control over the Indonesian radio today, and a change in tone in broadcasts is already noticeable. The anti-PKI press has also toned down its attacks on the extreme left and in particular on Foreign Minister Subandrio. New press regulations returning press supervision from the army to Information Minister Achmadi were issued several days ago.

2. Subandrio himself appears to be displaying new confidence. One of his subordinates has told the US Embassy that the Foreign Minister's position is secure and that Indonesia's foreign policy will not change. Subandrio claimed today that Indonesia would "take an active part" in the struggle against neocolonialism. He also claimed that normal trade with Communist China had been restored--a statement at variance with earlier reports from military sources that the embargo was still in effect.

3. The US Embassy notes that civilian anti-Communists appear confused and concerned following Sukarno's speech Wednesday. These elements, who had previously expressed optimism over the course of political events in the country, now seem discouraged in the wake of the President's assertion of determination and authority. The civilians appear to be waiting to see how the army will now react. 25X1

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5. The army is, however, continuing direct anti-PKI action. It announced today that it had foiled a planned Communist uprising in Borneo. No details were given. In Djakarta, the military commander stated yesterday that his orders issued as war administrator would remain in effect despite Sukarno's lifting of martial law on Wednesday. The Djakarta press has been taken out of his hands, however. In Makassar, Celebes, some 90 percent of Chinese-owned shops were sacked on Wednesday by mobs that were probably motivated as much by racial animosity as by political considerations. Elsewhere on Celebes and in Central Java the army is continuing to round up PKI adherents.

6. The army is still publicly claiming that PKI leader Aidit is trapped in Central Java, but [REDACTED] has told the Embassy that Aidit has been in army hands for two weeks. There is no confirmation of this report.

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